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**BEAULIEU CONVENT SCHOOL LIMITED**

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**DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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## BEAULIEU CONVENT SCHOOL LIMITED

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### COMPANY INFORMATION

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|                             |   |
|-----------------------------|---|
| <b>Directors</b>            | Mr C Beirne<br>Mr J Scally<br>Mr T Le Sueur   |
| <b>Company secretary</b>    | Mrs D Davidson  |
| <b>Registered number</b>    | 77540   |
| <b>Registered office</b>    | Beaulieu Convent School<br>Wellington Road<br>St Helier<br>Jersey<br>JE2 4RJ                  |
| <b>Independent auditors</b> | BDO Limited<br>Windward House<br>La Route de la Liberation<br>St. Helier<br>Jersey<br>JE1 1BG |

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**BEAULIEU CONVENT SCHOOL LIMITED**

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## BEAULIEU CONVENT SCHOOL LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

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The Directors present their report and the financial statements for the year ended 31 August 2019.

#### **Incorporation and principal activity**

The Company is incorporated in Jersey under the Companies (Jersey) Law 1991 and is a private company with company number 77540. Its principal activity is that of the provision of primary and secondary school education.

#### **Directors' responsibilities statement**

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and generally accepted accounting practice.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Results**

The results for the financial year are set out in the statement of comprehensive income set out on page 5.

#### **Dividends paid**

There were no dividends paid in the year under review (2018 - £NIL).

#### **Directors**

The Directors who served during the year were:

Mr C Beirne  
Mr J Scally  
Mr T Le Sueur

#### **Company secretary**

The Company secretary who held office throughout the year was Mrs D Davidson.



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**BEAULIEU CONVENT SCHOOL LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**Independent auditors**

BDO Limited were appointed as independent auditors to the Company and have expressed their willingness to continue in office.

**Going concern**

The Directors have a reasonable expectation that the Company has adequate resources to meet its liabilities as they fall due for the foreseeable future and as a result the financial statements have been prepared on a going concern basis. See Note 3 for additional disclosure.

This report was approved by the Board on 14 February 2020 and signed on its behalf.



Mr C Beirne  
Director



Mr J Scally  
Director

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAULIEU CONVENT SCHOOL LIMITED

### Opinion

We have audited the financial statements of Beaulieu Convent School Limited ("the Company") for the year ended 31 August 2019 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes 1 to 21 to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The other information comprises the information included in the Directors' Report and Company Information. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'B. Glancy', is written over the printed name.

Bill Glancy  
For and on behalf of BDO Limited  
Chartered Accountants  
Jersey, Channel Islands  
14 February 2020

**BEAULIEU CONVENT SCHOOL LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 AUGUST 2019**

|  | Note | 2019<br>£                 | 2018<br>£                 |
|--|------|---------------------------|---------------------------|
| Income   | 5    | 7,585,805                 | 7,017,284                 |
| <b>Gross profit</b>                                |      | <u>7,585,805</u>          | <u>7,017,284</u>          |
| Administrative expenses                            | 6    | (7,354,657)               | (7,000,069)               |
| <b>Operating profit</b>                            |      | <u>231,148</u>            | <u>17,215</u>             |
| Interest payable and expenses                      |      | (48,701)                  | (27,085)                  |
| <b>Profit/(loss) before tax</b>                    |      | <u>182,447</u>            | <u>(9,870)</u>            |
| <b>Profit/(loss) for the financial year</b>        |      | <u><u>182,447</u></u>     | <u><u>(9,870)</u></u>     |
| <br><b>Total comprehensive income for the year</b> |      | <br><u><u>182,447</u></u> | <br><u><u>(9,870)</u></u> |

The notes on pages 9 to 22 form part of these financial statements.



**BEAULIEU CONVENT SCHOOL LIMITED**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 AUGUST 2019**

|   | Note | 2019<br>£          | 2018<br>£          |
|---|------|--------------------|--------------------|
| <b>Non current assets</b>                               |      |                    |                    |
| Tangible fixed assets                                   | 7    | 66,826             | 34,977             |
| Fixed asset investments                                 | 8    | 4,470,611          | 3,562,697          |
|   |      | <u>4,537,437</u>   | <u>3,597,674</u>   |
| <b>Current assets</b>                                   |      |                    |                    |
| Debtors   | 9    | 303,787            | 468,895            |
| Cash at bank and in hand                                |      | 604,201            | 135,047            |
|   |      | <u>907,988</u>     | <u>603,942</u>     |
| Creditors: amounts falling due within one year          | 10   | (1,942,303)        | (1,864,954)        |
| <b>Net current liabilities</b>                          |      | <u>(1,034,315)</u> | <u>(1,261,012)</u> |
| <b>Total assets less current liabilities</b>            |      | <u>3,503,122</u>   | <u>2,336,662</u>   |
| Creditors: amounts falling due after more than one year | 11   | (3,640,354)        | (2,659,941)        |
| <b>Net liabilities</b>                                  |      | <u>(137,232)</u>   | <u>(323,279)</u>   |
| <b>Capital and reserves</b>                             |      |                    |                    |
| Called up share capital                                 | 14   | 2                  | 2                  |
| Other reserves  |      | 87,706             | 84,106             |
| Profit and loss account                                 |      | (224,940)          | (407,387)          |
|   |      | <u>(137,232)</u>   | <u>(323,279)</u>   |

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

  
Mr C Beirne  
Director

  
Mr J Scally  
Director

Date: 14 February 2020

The notes on pages 9 to 22 form part of these financial statements.

**BEAULIEU CONVENT SCHOOL LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2019**

|  | Called up<br>share capital<br>£ | Other<br>reserves<br>£ | Profit and<br>loss account<br>£ | Total equity<br>£ |
|--|---------------------------------|------------------------|---------------------------------|-------------------|
| <b>At 1 September 2017</b>               | 2                               | 96,602                 | (397,517)                       | (300,913)         |
| <b>Comprehensive income for the year</b> |                                 |                        |                                 |                   |
| Loss for the year                        | -                               | -                      | (9,870)                         | (9,870)           |
| Transfer to/from profit and loss account | -                               | (12,496)               | -                               | (12,496)          |
| <b>At 1 September 2018</b>               | 2                               | 84,106                 | (407,387)                       | (323,279)         |
| <b>Comprehensive income for the year</b> |                                 |                        |                                 |                   |
| Profit for the year                      | -                               | -                      | 182,447                         | 182,447           |
| Transfer to/from profit and loss account | -                               | 3,600                  | -                               | 3,600             |
| <b>At 31 August 2019</b>                 | 2                               | 87,706                 | (224,940)                       | (137,232)         |

The notes on pages 9 to 22 form part of these financial statements.

The Special assistance fund reserve movement in profit and loss are £3,600 (2018: £3,600) interest receivable and £nil (2018: £16,096). See note 15.



**BEAULIEU CONVENT SCHOOL LIMITED**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2019**

|   | 2019<br>£             | 2018<br>£             |
|---|-----------------------|-----------------------|
| <b>Cash flows from operating activities</b>                       |                       |                       |
| Profit/(loss) for the financial year                              | 182,447               | (9,870)               |
| <b>Adjustments for:</b>   |                       |                       |
| Depreciation of tangible assets                                   | 14,430                | 3,318                 |
| Interest paid   | 48,701                | 27,085                |
| Decrease in amounts owed by related parties                       | 29,316                | 80,000                |
| Decrease/(increase) in debtors                                    | 135,792               | (94,988)              |
| Increase in amounts owed to related parties                       | 154                   | -                     |
| (Decrease)/increase in creditors                                  | (2,509)               | 168,795               |
| Increase/(decrease) in special assistance reserve                 | 3,600                 | (12,496)              |
| <b>Net cash generated from operating activities</b>               | <u>411,931</u>        | <u>161,844</u>        |
| <b>Cash flows from investing activities</b>                       |                       |                       |
| Purchase of tangible fixed assets                                 | (46,279)              | (38,295)              |
| (Increase) in fixed asset investments                             | (907,914)             | (7,183)               |
| <b>Net cash from/used in investing activities</b>                 | <u>(954,193)</u>      | <u>(45,478)</u>       |
| <b>Cash flows from financing activities</b>                       |                       |                       |
| Concessionary loan from the States of Jersey                      | 1,073,433             | -                     |
| Repayment of loan due to the Sisters of the Immaculate Conception | (50,000)              | (50,000)              |
| Repayment of/new finance leases                                   | 36,684                | -                     |
| Interest paid   | (44,703)              | (27,085)              |
| Finance lease interest paid                                       | (3,998)               | -                     |
| <b>Net cash from/used in financing activities</b>                 | <u>1,011,416</u>      | <u>(77,085)</u>       |
| <b>Net increase in cash and cash equivalents</b>                  | <u>469,154</u>        | <u>39,281</u>         |
| Cash and cash equivalents at beginning of year                    | 135,047               | 95,766                |
| <b>Cash and cash equivalents at the end of year</b>               | <u><u>604,201</u></u> | <u><u>135,047</u></u> |
| <b>Cash and cash equivalents at the end of year comprise:</b>     |                       |                       |
| Cash at bank and in hand  | 604,201               | 135,047               |
|   | <u><u>604,201</u></u> | <u><u>135,047</u></u> |

The notes on pages 9 to 22 form part of these financial statements.

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## BEAULIEU CONVENT SCHOOL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

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#### 1. General information

The principal activity of Beaulieu Convent School Limited (the "Company") is the provision of educational services to children in Jersey. The Company is incorporated in Jersey under the Companies (Jersey) Law 1991 and is a private company with company number 77540.

#### 2. Statement of compliance

The individual financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" section 1A small entities ("FRS 102").

The Company constitutes a public benefit entity as defined by FRS 102.

#### 3. Accounting policies

##### 3.1 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### 3.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with FRS 102 and the Companies (Jersey) Law 1991.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 4).

The following principal accounting policies have been applied:

##### 3.3 Going concern

As at 31 August 2019, the Company had net current liabilities of £1,034,315 (2018: £1,261,012 net current liabilities) and net liabilities of £137,232 (2018: £323,279 net liabilities).

It is intended that the income derived from fees, grants and Cafe Beau sales will fund the annual expenses of the Company and meet the ongoing capital need to maintain the properties occupied by the Company as detailed in Note 8.

Based on projected expenditure the Company has determined that it will not have sufficient resources to be able to meet its expenditure requirement in the year to 31 August 2020 but has agreed a facility with its bankers, as detailed in Note 19 to fund cashflow shortfalls up to £600,000 as they arise. On this basis, the Directors consider it appropriate to continue to prepare the financial statements on the going concern basis and that the Company can meet its liabilities as they fall due for a period of no less than 12 months from the date of approval of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019

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**3. Accounting policies (continued)**

**3.4 Income and expenditure**

Income and expenditure are accounted for on an accruals basis in the academic year to which they relate. Fees are shown net of assisted and reduced fee places. The Company also operates a cafe for the sale of food and drink. Sales of goods are recognised on sale to the customer, which is considered the point of delivery.

Fees received in advance are classified as deferred income and are spread over the period to which they relate.

**3.5 Accumulated Fund Reserve**

Donations in respect of specific projects are credited directly to the Accumulated Fund Reserve on an accruals basis, as these activities are seen by the Directors to be outside the normal day to day running activities of the school.

**3.6 Tangible assets and depreciation**

Tangible assets are stated at cost less accumulated depreciation and are fully depreciated.

Refurbishment costs of property, renewals of equipment and motor vehicles that do not meet the definition of enhancing the property together with property costs that do not exceed £15,000 are expensed when incurred.

Where items exceed £15,000 they are depreciated on a straight line basis at the following annual rates to write off the cost over their expected useful lives:

|                                  |     |
|----------------------------------|-----|
| Motor Vehicles                   | 20% |
| Fixtures, Fittings and Equipment | 20% |

**3.7 Leased assets: the Company as lessee**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by finance lease are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**3.8 Fixed asset investments**

Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**3.9 Debtors**

Short term debtors are measured at transaction price, less any impairment.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019

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**3. Accounting policies (continued)**

**3.10 Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**3.11 Concessionary loans**

Concessionary loans are initially measured at the amount received or paid and recognised in the Statement of financial position. In subsequent years, the carrying amount of concessionary loans in the financial statements is adjusted to reflect any accrued interest payable or receivable.

**3.12 States of Jersey grant funding**

In accordance with FRS 102 Section 24 "Government Grants", funds received are shown as a deferred income creditor in the Statement of financial position and will be credited to the Statement of comprehensive income by instalments, to match the grant income with the related expenditure.

In respect of the annual education grant, the income is recognised in the period to which it relates.

In respect of the capital development grant funding, the grant is released and offset against the loan receivable from Saint Méen Properties Limited ("SMPL") on a basis consistent with the depreciation policy adopted by SMPL over the assets acquired with the grant funding (note 17).

**3.13 Donations**

Donations in excess of £10,000 in respect of specific projects are credited to the accumulated fund reserve in the period when the conditions set to enable the Company to utilise the donation have been met in full.

**3.14 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**3.15 Foreign currency translation**

(a) Functional and presentation currency

Items included in the financial statements are presented in pound sterling, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the Company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019

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**3. Accounting policies (continued)**

**3.16 Financial instruments**

The Company has chosen to adopt Section 11 of FRS 102 in respect of financial instruments.

**(i) Financial assets**

Basic financial assets, including debtors, cash and bank balances and loans to related entities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of comprehensive income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

**(ii) Financial liabilities**

Basic financial liabilities, including creditors and accruals, bank loans and loans from related entities, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**3.17 Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**3.18 Taxation**

The school has been granted charitable status under Article 115 of the Income Tax (Jersey) Law 1961, as amended, as such is exempt from Jersey Income Tax.



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**BEAULIEU CONVENT SCHOOL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**3. Accounting policies (continued)**

**3.19 Related party transactions**

The Company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

**4. Judgements in applying accounting policies and key sources of estimation uncertainty**

Fixed asset investments

The classification of loans to group undertakings and related parties is determined by reference to the facts in each case. Loans that are in the nature of current accounts and loans that are made on the clear understanding that they will be repaid within a relatively short period are treated as current assets and shown under debtors. However, loans between group entities which are repayable on demand, but in practice are used to meet the capital requirements of the borrower with no realistic repayment in the near future are, in effect, investments intended for use on a continuing basis in the lender company's activities and are therefore classified as fixed assets investments.

Trade and other receivables

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management consider factors including the ageing profile of debtors and historical experience.

**5. Income**

|                 | 2019<br>£        | 2018<br>£        |
|-----------------|------------------|------------------|
| Tuition fees    | 4,948,964        | 4,567,909        |
| States grant    | 2,376,790        | 2,180,730        |
| Sundries        | 51,803           | 61,451           |
| School clubs    | 60,576           | 54,211           |
| Cafe Beau sales | 147,672          | 152,983          |
|                 | <u>7,585,805</u> | <u>7,017,284</u> |



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**BEAULIEU CONVENT SCHOOL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**6. Administrative expenses**

|   | 2019<br>£        | 2018<br>£        |
|---|------------------|------------------|
| Wages and salaries  | 5,321,994        | 4,903,484        |
| Social security   | 301,660          | 294,277          |
| Pensions contributions  | 706,326          | 653,594          |
| Teaching expenditure  | 155,942          | 217,467          |
| Repairs and maintenance of grounds, general cleaning and buildings        | 243,646          | 247,572          |
| Net management charge   | 81,650           | 67,336           |
| Rates and insurance   | 86,789           | 77,362           |
| Heat, light and water   | 72,353           | 61,818           |
| Examination fees  | 78,453           | 78,686           |
| Minor capital expenditure - Purchase of fixtures, computers and equipment | 8,624            | 18,628           |
| Postage and telephone   | 22,980           | 26,694           |
| Motor expenses  | 8,919            | 14,999           |
| Depreciation  | 14,430           | 3,318            |
| Entertainment   | 12,537           | 15,248           |
| Equipment hire  | 3,770            | 5,051            |
| Computer costs  | 60,863           | 103,687          |
| Legal and professional  | 18,077           | 25,557           |
| Courses and travel  | 20,335           | 22,774           |
| Accountancy fees  | 8,188            | 8,127            |
| Auditors' remuneration  | 10,150           | 9,650            |
| Bank charges  | 7,058            | 4,260            |
| Bad debts   | 6,257            | 24,989           |
| Cafe Beau expenses  | 73,863           | 82,384           |
| Sundry expenses   | 29,793           | 33,107           |
|   | <u>7,354,657</u> | <u>7,000,069</u> |

**BEAULIEU CONVENT SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**7. Tangible fixed assets**

|  | Motor<br>vehicles<br>£ | Office<br>equipment<br>£ | Total<br>£ |
|--|------------------------|--------------------------|------------|
| <b>Cost or valuation</b>               |                        |                          |            |
| At 1 September 2018                    | 38,295                 | -                        | 38,295     |
| Additions                              | -                      | 46,279                   | 46,279     |
| At 31 August 2019                      | 38,295                 | 46,279                   | 84,574     |
| <b>Depreciation</b>                    |                        |                          |            |
| At 1 September 2018                    | 3,318                  | -                        | 3,318      |
| Charge for the year on owned assets    | 7,659                  | -                        | 7,659      |
| Charge for the year on financed assets | -                      | 6,771                    | 6,771      |
| At 31 August 2019                      | 10,977                 | 6,771                    | 17,748     |
| <b>Net book value</b>                  |                        |                          |            |
| At 31 August 2019                      | 27,318                 | 39,508                   | 66,826     |
| At 31 August 2018                      | 34,977                 | -                        | 34,977     |

# BEAULIEU CONVENT SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 8. Fixed asset investments

|                          | Saint Méen<br>Properties<br>Limited<br>£ | Beaulieu<br>Convent<br>School Trust<br>£ | Total<br>£       |
|--------------------------|--|--|------------------|
| <b>Cost or valuation</b> |  |  |                  |
| At 1 September 2018      | 3,290,109                                | 272,588                                  | 3,562,697        |
| Movement in the year     | 907,914                                  | -  | 907,914          |
| At 31 August 2019        | <u>4,198,023</u>                         | <u>272,588</u>                           | <u>4,470,611</u> |

The loan to SMPL of £4,198,023 (2018: £3,290,109) is unsecured, interest free and has no specified repayment date. The sole asset of SMPL is the freehold property and buildings of Beaulieu Convent School. The Company is responsible for all maintenance and repairs to keep the buildings in good order. SMPL is a company associated by common beneficial ownership.

The loan to Beaulieu Convent School Trust ("BCST") of £272,588 (2018: £272,588) is unsecured, interest free and has no specified repayment date. BCST is considered to be the Company's ultimate controlling party.

### 9. Debtors

|                                 | 2019<br>£      | 2018<br>£      |
|---------------------------------|----------------|----------------|
| Trade debtors - Fee debtors     | 177,082        | 303,836        |
| Amounts owed by related parties | -              | 29,316         |
| Other debtors                   | 101,743        | 112,333        |
| Prepayments and accrued income  | 24,962         | 23,410         |
|                                 | <u>303,787</u> | <u>468,895</u> |

**BEAULIEU CONVENT SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**10. Creditors: Amounts falling due within one year**

|  |    | 2019<br>£        | 2018<br>£        |
|--|----|------------------|------------------|
| Amounts owed to related parties                      |    | 154              | -                |
| Loan due to the Sisters of the Immaculate Conception | 12 | 50,000           | 50,000           |
| Pension creditor                                     |    | 142,438          | 135,047          |
| Taxation and social security creditor                |    | 113,454          | 102,905          |
| Deposits held  |    | 53,450           | 21,000           |
| Finance lease liabilities                            | 13 | 10,133           | -                |
| Deferred income                                      |    | 1,370,507        | 1,245,675        |
| Other creditors                                      |    | 202,167          | 310,327          |
|  |    | <u>1,942,303</u> | <u>1,864,954</u> |

Deferred income relates to school fees paid in advance and States of Jersey annual education grant, deferred to the 2019/2020 academic year.

**11. Creditors: Amounts falling due after more than one year**

|  |    | 2019<br>£        | 2018<br>£        |
|--|----|------------------|------------------|
| Concessionary loan from the States of Jersey         | 12 | 1,073,433        | -                |
| Loan due to the Sisters of the Immaculate Conception | 12 | 250,000          | 300,000          |
| Finance lease liabilities                            | 13 | 26,551           | -                |
| Deferred income from States of Jersey                |    | 2,290,370        | 2,359,941        |
|  |    | <u>3,640,354</u> | <u>2,659,941</u> |



**BEAULIEU CONVENT SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**12. Loans**

Analysis of the maturity of loans is given below:

|  | 2019<br>£        | 2018<br>£      |
|--|------------------|----------------|
| <b>Amounts falling due within one year</b>           |                  |                |
| Loan due to the Sisters of the Immaculate Conception | 50,000           | 50,000         |
|  | <u>50,000</u>    | <u>50,000</u>  |
| <b>Amounts falling due after more than one year</b>  |                  |                |
| Loan due to the Sisters of the Immaculate Conception | 250,000          | 300,000        |
| Concessionary loan from the States of Jersey         | 1,073,433        | -              |
|  | <u>1,323,433</u> | <u>300,000</u> |

On 23 September 2011 the Company entered into a £500,000 loan with the Sisters of the Immaculate Conception. The loan bears interest at a rate of 2% above the Bank of England base rate. It was originally repayable on 31 October 2013 but was renewed during 2013 to be repayable in full on 31 October 2015. A further renewal was made to the loan in 2015 and it is now repayable in instalments of £50,000 per year from October 2015 for five years, with a final repayment of £250,000 in 2020.

On 21 June 2019 the Company entered into a loan agreement with the Treasurer of the States of Jersey for a capital sum not exceeding £7.3 million. The loan bears interest at 4.25% per annum, with interest payments to be made quarterly. Capital repayments will commence when the loan is fully drawn down with the full loan to be repaid by 30 June 2039. SMPL has guaranteed all obligations and covenants of the Company under this loan, by providing the immovable property "Beaulieu Convent School", Wellington Road as security for the indebtedness. SMPL had an outstanding loan with the States of Jersey totalling £293,488 which was incorporated into this new loan agreement and repayment of this balance has now been assumed by the Company. The Company drew down a capital sum of £776,907 on 1 July 2019. The carrying value of the loan outstanding at 31 August 2019 includes accrued interest in line with the accounting policy.

**13. Finance lease**

Minimum lease payments under finance leases fall due as follows:

|                         | 2019<br>£     | 2018<br>£ |
|-------------------------|---------------|-----------|
| <b>Office equipment</b> |               |           |
| Within one year         | 10,133        | -         |
| Between 1-5 years       | 26,551        | -         |
|                         | <u>36,684</u> | <u>-</u>  |

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**BEAULIEU CONVENT SCHOOL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**14. Share capital**

|   | <b>2019</b>   | <i>2018</i>   |
|---|---------------|---------------|
|   | <b>£</b>      | <b>£</b>      |
| Authorised  |               |               |
| 10,000 (2018 - 10,000) Ordinary shares shares of £1.00 each | <b>10,000</b> | <i>10,000</i> |
|   | <hr/>         | <hr/>         |
| <b>Allotted, called up and fully paid</b>                   |               |               |
| 2 (2018 - 2) Ordinary shares shares of £1.00 each           | <b>2</b>      | <i>2</i>      |
|   | <hr/>         | <hr/>         |

**15. Special assistance reserve – Designated fund**

|                         | <b>2019</b>   | <i>2018</i>     |
|-------------------------|---------------|-----------------|
|                         | <b>£</b>      | <b>£</b>        |
| Balance brought forward | <b>84,106</b> | <i>96,602</i>   |
| Interest receivable     | <b>3,600</b>  | <i>3,600</i>    |
| Bursaries               | <b>-</b>      | <i>(16,096)</i> |
|                         | <hr/>         | <hr/>           |
|                         | <b>87,706</b> | <i>84,106</i>   |
|                         | <hr/>         | <hr/>           |

The Special assistance reserve comprises the special assistance fund and the interest thereon which were gifted to the Company and are non refundable to the benefactor.

During the financial year ended 31 August 2009, £90,000 was utilised from the special assistance fund account ("SAF account") to reduce the capital balance of the loan payable to the States of Jersey by SMPL, but for which the Company had provided indemnities. The utilisation of the SAF account in this manner was approved by the benefactor on the condition that the Company pays "interest" on the monies utilised at a rate of 4% per annum, payable annually in arrears commencing in June 2010, to allow for the SAF account to continue to provide assistance in special cases. The capital sum of £90,000 was extended in June 2019 for a period of one year to June 2020.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019

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**16. Pension commitments**

In 2007 the Laws and Orders governing the operation of the Jersey Teachers Superannuation Fund ("JTSF" or the "Scheme") were amended for both existing and new members. The JTSF provides pensions and other benefits which are linked to the Jersey Cost of Living Index. Since 2007, the cost of this indexation has been reflected in the contribution rates paid to the Scheme, with the Company contributing a fixed rate of 16.4% of the salaries of pensionable staff such that it is no longer responsible for indexation costs relating to pensions paid. The amounts paid and payable by the Company in respect of employer contributions to the pension schemes totalled £582,605 during the year (2018: £532,878).

The total liability to the Scheme for the cost of indexation for service prior to 1 April 2007 has been quantified as at 31 December 2012 as £97.7 million. That part of the deficit that relates to teachers in States schools has provisionally been funded in advance by the States. The mechanism for private ('Accepted') schools is the subject of a draft agreement between the Chief Minister of the States and The Management Board of the JTSF. Under the draft agreement the States Employment Board accepts responsibility for servicing and payment of the entire debt but the Chief Minister will require the Accepted schools to pay additional contributions as a condition of continuing membership of the Scheme.

As at the date of signing the financial statements the agreement remains in draft form and no communication has been received by the school in relation to proposals regarding the amount of any additional contributions.

In addition the Company has negotiated an option for non-teaching staff to join the main civil service pension schemes (the Jersey Public Employees Contribution Retirement Scheme and from 1 January 2016 the Public Employees' Pension Scheme), under which employees and employers pay contributions based on prescribed percentages of salaries. There is no indexation liability arising from this scheme. As at 31 August 2019, 25 members of staff had joined this scheme, and the amounts paid by the Company in respect of employer contributions to the scheme totalled £119,641 during the year (2018: £111,590).

The Company also contributes to certain independent schemes for other (non-teaching) members of staff. These are defined contribution schemes, and the amount paid by the school in respect of contributions to these schemes totalled £4,080 during the year (2018: £9,126).

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**BEAULIEU CONVENT SCHOOL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**17. States of Jersey Funding**

As a part of a package of grant funding to the Catholic Schools and further funding in 2011/2012 from the Fiscal Stimulus Fund, the Company received funding from the States of Jersey to assist with capital development of its buildings and learning support unit.

In accordance with FRS 102 Section 24 "Government Grants" the funds received are shown as a deferred income creditor in the Statement of Financial Position (Note 8). Interest arising on the initial funds was added to the total creditors such that the total funding received was £3,365,933.

|  |                    |
|--|--------------------|
|  | £                  |
| <b>Total Funding Received</b>          |                    |
| At 1 September 2018 and 31 August 2019 | 3,365,933          |
| <b>Accumulated credit release</b>      |                    |
| At 1 September 2018                    | (1,005,992)        |
| Credit released in year                | (69,571)           |
|  | <hr/>              |
| <b>At 31 August 2019</b>               | <b>(1,075,563)</b> |
| <b>Deferred carrying value</b>         |                    |
| At 1 September 2018                    | 2,359,941          |
|  | <hr/>              |
| <b>At 31 August 2019</b>               | <b>2,290,370</b>   |

**18. Legal charges**

As a condition of the Company's capital expenditure funded by the States of Jersey between 2003 and 2005, totalling £2,905,501 in respect of the All Weather Playing Fields, the Jubilee Block and replacement windows, the Company became a party to a Memorandum of Understanding ("MOU") between the Minister for Sport and Culture (the "Minister for ESC"), BCST and SMPL on 4 November 2010. The MOU provides the security of a charge for the outstanding commitment over the school premises, the freehold title of which is held by SMPL, as outlined in Note 8. In the event that the Company ceases or intends to cease to operate a registered school in all, or in excess of 50%, of the premises, the Company will, in writing, offer to the public of Jersey a right of pre-emption in any future sale.

As a condition of the award to the Company of a grant of £573,500 from the Fiscal Stimulus Fund for the renovation of the Beaulieu School building by the Minister for Treasury and Resources, the Company became a party to a MOU between the Minister for ESC and SMPL on 26 April 2011. The MOU provides for the Minister for ESC to require all or part of the grant to be repaid and/or reduced, suspended or withheld if certain events occur as set out in the MOU paragraphs 3 and 4.

**19. Guarantees**

On 25 August 2011 the Company, together with SMPL, entered into an unlimited intercompany composite guarantee with NatWest Bank (the "Bank") to allow the Company to enter into an overdraft facility with the Bank for up to £1,200,000 to 31 January 2012, then reducing to £600,000, at an interest rate of 3.5% p.a. over Base Rate for borrowing up to the limit and 29.5% for borrowing over the limit. The overdraft facility has been extended at £600,000 to May 2020.

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**BEAULIEU CONVENT SCHOOL LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**20. Related party transactions**

The loan due to the Sisters of the Immaculate Conception (Notes 10 and 11) is considered to be a related party transaction, as Sister Geraldine Tisdall, a trustee of the controlling party, is also a trustee of the Sisters of the Immaculate Conception.

The Beaulieu Foundation has repaid a loan of £29,316 (2018: £80,000) in the year. The Company owes the Beaulieu Foundation £154 (2018: £29,316 receivable) at 31 August 2019. The Beaulieu Foundation is considered to be a related party, as Mr J. Scally and Mrs S.O'Sullivan are also trustees of the Beaulieu Foundation.

**21. Beneficial shareholders and controlling party**

The Company is wholly owned by BCST. The Trustees of BCST are considered to be the Company's ultimate controlling party.